

SECRET

24 June 1950

MEMORANDUM FOR: [ ] and [ ]  
FROM: [ ]  
REFERENCE: Conversation with Mr. Szegedy-Mazak, ALADAR

1. Mr. Szegedy-Mazak called on me this morning at his request and stated that he was somewhat concerned about a telephone conversation which he had had with a cousin of his wife's from Switzerland. His wife's cousin, Mr. Hans Mautner, had telephoned him on Saturday evening to tell him that due to interesting developments in connection with the negotiations on the Vogeler case, Szegedy-Mazak's sister, who is now serving a fifteen year sentence in a Budapest prison, could be released by the payment of \$500 immediately. A special courier would carry it into Hungary, and upon delivery of his sister to the British Zone of Austria, a further \$5,000 must be submitted. Mr. Mautner enjoys the fullest confidence of Mr. Szegedy-Mazak and his wife's family, and is reported to be a very serious person. He stated that the conversation with Mr. Mautner was necessarily in double talk, and it was very difficult to get more details. Nevertheless, the \$500 had been forwarded by Szegedy-Mazak to Switzerland, and he expected to hear some further news of the prospects with regard to his sister by mid-July.

2. Mr. Szegedy-Mazak went on to say that Miss Mariassy had received a letter from her brother-in-law, Mr. Paul Almasy in Budapest. Paul Almasy, a former Hungarian army officer, wrote the letter dated May 10th, stating that there were well-founded rumors in circulation in Budapest to the effect that General Farkas had sent certain emissaries from the United States Zone of Germany to Hungary for the purpose of contacting certain former Hungarian army officers in connection with the organization of an underground. In some unexplained manner, an emissary of Farkas was arrested and on his person was found a list of other persons to be contacted, which is the explanation of the recent round-up of former Hungarian army officers reported in the world press. In this connection, Mr. Paul Almasy himself, according to a report just received in Hungarian circles in New York, was arrested on June 1st.

3. Mr. Szegedy-Mazak asked me if I could enlighten him as to the backing of the mission undertaken by General Farkas, and I told him that I knew nothing about the matter. He then stated, "If it was not an American attempt, then it must have been the French." I said again that I was sorry that I could not enlighten him on this subject.

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